COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY-AMERICAN)
WATER COMPANY FOR A DETERMINATION BY)
THE PUBLIC SERVICE COMMISSION OF THE)
ADEQUACY OF ITS WATER STORAGE) CASE NO. 2005-00546
CAPACITY ANALYSIS DATED DECEMBER 21,)
2005 AND FOR A DEVIATION FROM 807 KAR)
5:066, SECTION 4(4) UNTIL DECEMBER 31, 2020)
PURSUANT TO 807 KAR 5:066, SECTION 18)

ORDER

The Attorney General ("AG") has moved to hold this proceeding in abeyance until Kentucky-American Water Company ("Kentucky-American") finalizes its plans for meeting its water supply and treatment requirements. Opposing this motion, Kentucky-American asserts that its source of supply and treatment needs are wholly independent from the issues presented in its request for a deviation from Administrative Regulation 807 KAR 5:066, Section 18.

Having reviewed the motion and the response thereto, the Commission finds that, while Kentucky-American's source of supply and treatment requirements should be considered when addressing the water utility's request for deviation, they are not dispositive of the issues that the request presents and are not an adequate basis for holding this proceeding in abeyance.

IT IS THEREFORE ORDERED that the AG's Motion for Abeyance is denied.

Done at Frankfort, Kentucky, this 21st day of July, 2006.

By the Commission

ATTEST:

Executive Director